



**World Food  
Programme**

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## PROJECT BUDGET REVISION FOR APPROVAL BY THE CHIEF OF STAFF

5) To:	Division	Room	Approval and Date
Mr Jim Harvey Chief of Staff	OED	6G36	
4) Through:	Division	Room	Signature and Date
Ms Elisabeth Rasmusson Assistant Executive Director	PG	6G72	
3) Through:	Division	Room	Signature and Date
Mr Manoj Juneja Assistant Executive Director	RM	6G00	
2) Through:	Division	Room	Signature and Date
Mr Ramiro Lopes da Silva Assistant Executive Director	OS	6G62	
1) From:	Regional Bureau	Signature and Date	
Ms Denise Brown Regional Director	RB Dakar		

### Guinea-Bissau PRRO 200526 BR No. 5

<b>Total revised number of beneficiaries</b>	256 738
<b>Duration of entire project</b>	37 months, 1 March 2013 to 31 December 2015
<b>Extension period</b>	3 months, 1 January 2016 to 31 March 2016
<b>WFP food tonnage (mt)</b>	17 223

**Project:** Nutrition and livelihoods support to the vulnerable population in Guinea-Bissau

**Start date:** 01/03/2013

**End date:** 31/12/2015

**Extension period:** 3 months

**New end date:** 31/03/2016

#### Cost (United States dollars)

	Current Budget	Increase	Revised Budget
Food and related costs	16 924 020	3 175 805	20 099 825
Cash and vouchers and related costs	-	68 374	68 374
Capacity development & augmentation	321 085	157 121	478 206
Direct support cost	4 404 428	841 971	5 246 399
Indirect support cost	1 515 467	297 029	1 812 496
<b>Total cost to WFP</b>	<b>23 165 000</b>	<b>4 540 300</b>	<b>27 705 300</b>

#### CHANGES TO:

##### Food Tool

- ☒ MT  
☒ Commodity Value  
☒ External Transport  
☒ LTSH  
☒ ODOC

##### C&V Tool

- ☒ C&V Transfers  
☒ C&V Related Costs

- ☒ CD&A  
☒ DSC  
☒ Project duration  
☐ Other

##### Project Rates

- ☒ LTSH (\$/MT)  
☒ ODOC (\$/MT)  
☒ C&V Related (%)  
☒ DSC (%)

## NATURE OF THE INCREASE

1. *The proposed budget revision will provide a three-month extension-in-time until 31 March 2016, to enable the smooth transition of activities from Protracted Relief and Recovery Operation 200526 (PRRO) to Country Programme 200846. The new Country Programme is scheduled for presentation at EB.1/2016 and is proposed to start 1 April 2016.*
2. *Specifically, this budget revision will:*
  - *Increase food transfers by 2,161 mt valued at USD 2.3 million (including an in-kind donation from Japan of 200 mt of canned fish valued at USD 966,872 for school meals);*
  - *Introduce cash-based transfers valued at USD 54,926;*
  - *Increase capacity development and augmentation by USD 157,121;*
  - *Increase external transport, landslide transport, storage and handling, and other direct operational costs by USD 826,559; and*
  - *Increase direct support costs by USD 841,971.*

## JUSTIFICATION FOR THE REVISION

### *Summary of existing project activities*

3. *The PRRO is designed to help households and communities recover from shocks and return to normality through establishment of safety networks aimed at improved access to basic services for the most vulnerable. It integrates four objectives: (i) maintain enrolment rates and ensure gender parity in primary schools by providing daily school meals and take-home rations for girls; (ii) treat moderate acute malnutrition (MAM) among children aged 6–59 months and pregnant and lactating women (PLW), and provide food-by-prescription to people living with HIV on antiretroviral therapy (ART) and tuberculosis (TB) clients receiving directly observed treatment, short-course (DOTS) and their care providers; (iii) prevent stunting in children aged 6–23 months through complementary feeding; and (iv) assist communities and households to rebuild and protect livelihoods through food assistance for assets (FFA).*
4. *Since 2014, the European Union has channelled funding through this PRRO for WFP food purchases from smallholder farmer and women's associations with the goal of linking smallholders to school meals. This PRRO also integrates European Union funding of WFP support to the Government to set up a Food Security and Nutrition Monitoring System (FSNMS). The first round of data collection was completed in June 2015.*

### *Conclusion and recommendation of the re-assessment*

5. *In early 2015, following successful presidential and legislative elections completed the previous year, Guinea-Bissau elaborated and adopted a 2015–2025 long-term strategy and the 2015–2020 “Terra Ranka” Strategic and Operational Plan. The plan was officially presented at the March 2015 International Conference for Guinea-Bissau held in Brussels, where donor pledges exceeded USD 1.4 billion.<sup>1</sup> This important shift prompted WFP to prepare a country programme and the United Nations Country Team to produce the 2016–2020 United Nations Strategic*

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<sup>1</sup> European Union - External Action Service, Terra Ranka: A Fresh Start for Guinea-Bissau, March 2015.

*Cooperation Framework for Guinea-Bissau (UNSCF).<sup>2</sup> Beginning in August 2015 the country experienced a serious political crisis that culminated with the dismissal of the Prime Minister, however, the crisis was overcome in October with the nomination of a new Prime Minister and naming of a new Government.*

- 6. Preliminary results of the 2014 Multi-Indicator Cluster Survey (MICS 5) show that maternal mortality is still high at 900 per 100,000 women.<sup>3</sup> Only 8.3 percent of children aged 6–23 months receive a minimum acceptable diet.<sup>4</sup> Global acute malnutrition (GAM) rates are 6 percent among children under 5, and the chronic malnutrition rate is 27.6 percent countrywide (29 percent boys and 26 percent girls), reaching over 30 percent in Oio (35.3 percent) and Bafata (34 percent) regions.<sup>5</sup> Education indicators continue to be low: nearly half the population 15 years and older is illiterate, with wide gaps in illiteracy rates between men (33 percent) and women (62 percent). Causes include low interest of parents in education, poverty, long distances between homes and school – particularly in rural areas – and early pregnancy.<sup>6</sup> Net enrolment rates are low at 31 percent for both boys and girls, only 62 percent complete the primary school cycle, and drop-out rates peak between the 4th and the 5th year, especially among girls in rural areas.*
- 7. Preliminary data from the first FSNMS survey – conducted in June 2015 at the start of the lean season – indicate that 10 percent of households countrywide were affected by food insecurity, including 1 percent severely food insecure.<sup>7</sup> The most food-insecure regions were Tombali (16.6 percent), Oio (16 percent), Gabu (13 percent) and Bolama (12.1 percent).<sup>8</sup> Shocks most commonly reported by households were delayed rainfall (30 percent) and increased food prices (27 percent). However, despite a delayed start of the rains, prolonged dry spells, and localized flooding, an October 2015 analysis by Cadre Harmonisé reports agro-pastoral production is satisfactory and increased cereal production is expected this year.<sup>9</sup> Applying the Integrated Phase Classification, Cadre Harmonisé identified Phase 2 (food crisis) conditions in Tombali region only, while other regions were classified as Phase 1 (food insecure). The contrast between June and October findings suggest substantial seasonal variation.*

#### *Purpose of change in project duration and budget increase*

- 8. This three-month extension will enable continuity of WFP programming and ensure appropriate agreements and business processes for school meals – including piloting of cash-based transfers – are in place at the start of the new five-year Country Programme starting in April 2016. Baseline and post-distribution monitoring will be carried out at the beginning and end of the pilot to inform the next phase.*
- 9. PRRO activities will continue during the extension period with an increase in school meals beneficiaries and revised rations planned from November 2015. School meals will be expanded gradually to two new regions (Cacheu and Tombali), and cover additional schools in Biombo, Oio and Quinara regions. This is in anticipation of a*

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<sup>2</sup> The UNSCF (equivalent to UNDAF) has not yet been signed.

<sup>3</sup> Preliminary MICS 5 data. The final report has not yet been published.

<sup>4</sup> MICS 5.

<sup>5</sup> Ibid.

<sup>6</sup> *Relatório da situação do sistema educativo* (2013). [RESEN], Ministry of Education of Guinea Bissau.

<sup>7</sup> Preliminary findings are subject to change following data validation and analysis.

<sup>8</sup> Analysis of FSNMS data from these regions is currently underway to determine causes of high food insecurity indicators and possible response.

<sup>9</sup> *Cadre Harmonisé d'analyse et d'identification des zones à risque et des populations en insécurité alimentaire au Sahel et en Afrique de l'Ouest* (October 2015).

**large contribution from the United States Department of Agriculture's McGovern-Dole International Food for Education and Child Nutrition Programme. Assessments of these new areas and schools have been underway since August 2015 to identify gaps in infrastructure, beneficiary caseloads, training needs and availability of qualified cooperating partners.<sup>10</sup> Beneficiaries of take-home rations are reduced due to a revised estimate of the percentage of girls in grades 4–6 meeting minimum eligibility requirements.<sup>11</sup> Starting from March 2016, the school meals ration will be adjusted – in preparation for the new country programme's home-grown school meals approach – to better reflect the food basket of commodities that can be purchased from local markets and provide a snack rather than a meal.<sup>12</sup> Instruction on composition or rations is including with training of teachers, inspectors, headmasters, school management committees, cooks and parent associations.**

10. School meals-linked food purchases through local farmers and women's associations will continue with introduction of cash-based transfers at 21 schools in Bafata and 12 schools in Oio. Local purchases in Guinea-Bissau will contribute to agricultural and rural development by encouraging an increase in local production by smallholder farmers. This programme also contributes to diversification of local production and school children's diet. By triggering increased production – in support of Government strategy and in close cooperation with FAO and other partners – WFP promotes local market development, improved quality of food supplied to schools, and increased livelihood opportunities and income generating activities for participating smallholder farmers and farmers' associations. These activities are in line with the Government's poverty and food insecurity reduction strategies as outlined in the *Documento de Estratégia Nacional de Redução de Pobreza* (DENARP II).
- 11. WFP will provide selected schools with vouchers (scratch-cards) to be exchanged for cereals, groundnuts, cowpeas and fresh vegetables. Suppliers will redeem the vouchers through mobile transfers. Quality controls will be established in consultation with the Dakar Regional Bureau food technology specialist, in line with recent procurement mission recommendations.<sup>13</sup>**
- 12. The increase in capacity development and augmentation is related to training of school inspectors and canteen management committees in the new regions targeted for school meals (Cacheu, Tombali), and to increase monitoring and evaluation capacity within the education and health ministries. This increase also includes FSNMS activities to be conducted in the first trimester of 2016.**
- 13. Micro-financial, information technology, market, and security assessments have determined that value-based vouchers (scratch cards) are the most appropriate transfer mechanism for enabling school purchases from local producer associations. Commodities purchased locally for school feeding will have equal nutritional value to commodities supplied in-kind. Vouchers will be redeemed through mobile money service providers, to take advantage of the mobile network that covers 95 percent of the country and the 91 percent of households owning a mobile phone.<sup>14</sup> Communities will receive sensitization and training in the use of the new system.**

<sup>10</sup> Major gaps identified include: (i) missing or inadequate classrooms, toilets, water points, desks, school canteens and other school infrastructure; (ii) lack of didactic material; and (iii) weak community involvement in some regions. The PRRO gives priority to food assistance needs of schools benefiting from UNICEF and World Bank support. UNICEF is rehabilitating schools with funding from the Global Partnership for Education, Japan and other bilateral donors, while the World Bank is financing construction of schools.

<sup>11</sup> Estimates show a decline from 20 to 15 percent among girls meeting the take-home ration requirement to attend 80% of classes.

<sup>12</sup> The school feeding ration cannot be changed before March 2016 due to pipeline considerations. Ration size is aligned with school feeding handbook recommendations.

<sup>13</sup> West Africa Regional Bureau, Mission Report: Local Purchase in Guinea Bissau (October 2015).

<sup>14</sup> MICS 5.

- 14. Household assistance to ART and DOTS clients will continue in 2016 with a slightly lower ration size and more focused targeting based on food insecurity and socio-economic indicator criteria. While the primary goal is to provide nutritional support to clients under treatment, achieving this objective requires provision of food assistance to their households identified as food insecure. WFP will strengthen capacity of Government staff to monitor outcomes of this assistance. Cash-based transfers using mobile money will be introduced in urban Bissau for approximately 150 food-insecure households of ART and DOTS clients. Women be given preference as cash recipients on behalf of their households. Nutrition sensitization will be undertaken by cooperating partners to help ensure these cash transfers are applied toward food purchases.**
- 15. Cash-based transfer value will mirror costs of a locally purchased food basket with appropriate nutritional content. Standard operating procedures are being revised and the introduction of cash transfers is anticipated to commence in January 2016. Service contracts will be signed with leading mobile phone service providers depending on coverage and costs. NGO partners will ensure sensitization, registration, information and training of beneficiaries on system use and monitoring requirements. Mobile phone service providers will also support training of beneficiaries on the use of the system. Post-distribution monitoring will provide important information on cash usage and household decision-making processes. Beneficiary feedback mechanisms will be set up, including a telephone hotline managed by WFP and partners. Cooperating partners and WFP will monitor markets to ensure cash transfer value is aligned with local prices, while also considering monthly data from the Government's Market Information System (SIM) and National Institute of Statistics (INS).**
- 16. FFA activities will resume during the next lean season, subsequent to the expiration of this PRRO. Food security-related interventions will continue through technical support to farmers' associations, local purchases and the FSNMS.**
- 17. Complementary feeding among children aged 6–23 months will contribute to reducing chronic malnutrition in regions with highest stunting prevalence rates, including Oio (35.5 percent), Bafata (34 percent) and Gabu (30 percent) regions.<sup>15</sup> Training of both female and male community-based health agents will be strengthened to promote better coverage of the programme and enhanced sensitization and nutrition education at community level among women and men. Strategic partnerships with the United Nations Children's Fund (UNICEF), United Nations Population Fund (UNFPA), Food and Agriculture Organization of the United Nations (FAO) and other actors will be pursued to ensure an integrated approach combining interventions in nutrition, water, health (HIV, TB and other diseases), hygiene and sanitation, behavioural change communication, and infant and young child feeding practices. TSF for children with MAM aged 6–59 months will continue in close coordination with UNICEF, but will be discontinued for PLW for which prevalence rates are below 1 percent.<sup>16</sup>**

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<sup>15</sup> Ibid.

<sup>16</sup> Ibid.

**TABLE 1: BENEFICIARIES BY ACTIVITY**

Activity	Category of beneficiaries	Current			Increase / (Decrease)			Revised <sup>17</sup>		
		Boys / Men	Girls / Women	Total	Boys / Men	Girls / Women	Total	Boys / Men	Girls / Women	Total
School meals	Primary school children (food transfers)	43 366	42 290	85 656	30 590	28 765	59 355	73 956	71 055	145 011
	Primary school children (cash-based transfers)	-	-	-	1 818	1 747	3 565	1 818	1 747	3 565
	Girls grades 4-6 (take-home rations)	-	12 240	12 240	-	(1 385)	(1 385)	-	10 855	10 855
Complementary feeding – stunting prevention	Children 6-23 months	14 250	14 250	28 500	14 535	13 965	28 500	28 785	28 215	57 000
TSF – treatment of MAM	Children 6-59 months	3 668	3 668	7 336	745	745	1 490	4 413	4 413	8 826
	PLW	-	2 680	2 680	-	-	-	-	2 680	2 680
TSF – food-by-prescription	ART and DOTS clients	733	1 467	2 200	683	1 387	2 070	1 416	2 854	4 270
	Household members + ART and DOTS clients - food	1 934	1 934	3 868	1 649	1 649	3 298	3 583	3 583	7 166
	Household members + ART and DOTS clients – CBT	-	-	-	525	525	1 050	525	525	1 050
Food assistance for assets / training	Participant households – assets	6 360	19 080	25 440	-	-	-	6 360	19 080	25 440
	Participant households – training	1 500	4 500	6 000	-	-	-	1 500	4 500	6 000
<b>Total</b>		<b>71 811</b>	<b>102 109</b>	<b>173 920</b>	<b>50 545</b>	<b>47 398</b>	<b>97 943</b>	<b>122 356</b>	<b>149 507</b>	<b>271 863</b>
<b>TOTAL (excluding overlaps)<sup>18</sup></b>		<b>71 811</b>	<b>89 869</b>	<b>161 680</b>	<b>49 862</b>	<b>47 396</b>	<b>97 258</b>	<b>120 940</b>	<b>135 798</b>	<b>256 738</b>

<sup>17</sup> Beneficiaries to be assisted during the extended period.

<sup>18</sup> Overlaps: (i) girls receiving both school meals and take-home rations; and (ii) ART and DOTS clients also included in household rations.

**18. Table 2 describes the rations that will be revised for the duration of this budget revision:**

<b>TABLE 2: REVISED DAILY FOOD RATION/TRANSFER BY ACTIVITY (g/person/day)</b>		
	<b>School meals</b>	<b>Food-by-prescription Household ration</b>
	Revised (effective March 2016)	Revised (effective January 2016)
Cereal	120	200
Pulses	20	40
Vegetable oil	10	25
Salt	3	5
Sugar	0	
Super Cereal with sugar	0	
Canned fish	20	
Cash/voucher (USD/person/day)	0.15	0.27
<b>TOTAL</b>	<b>173</b>	<b>270</b>
<b>Total kcal/day</b>	<b>630</b>	<b>1 100</b>
% kcal from protein		<b>8.2</b>
% kcal from fat		<b>22.2</b>
Number of feeding days per year	165	180 (ART households) 240 (DOTS households)

## FOOD REQUIREMENTS

<b>TABLE 3: FOOD/CASH AND VOUCHER REQUIREMENTS BY ACTIVITY</b>				
<b>Activity</b>	<b>Commodity / Cash &amp; voucher</b>	<b>Food requirements (mt) Cash/Voucher (USD)</b>		
		<b>Current</b>	<b>Increase</b>	<b>Revised total</b>
School feeding	Commodity	7 900	1 887	9 787
Treatment of MAM	Commodity	609	18	627
Food-by-prescription	Commodity	841	135	976
Prevention of stunting	Commodity	1 431	121	1 552
Food assistance for assets / training	Commodity	4 281	0	4 281
<b>Total food transfers (mt)</b>		<b>15 062</b>	<b>2 161</b>	<b>17 223</b>
School feeding	Cash & voucher	0	29 411	29 411
Food-by-prescription	Cash & voucher	0	25 515	25 515
<b>Total cash-based transfers (USD)</b>		<b>0</b>	<b>54 926</b>	<b>54 926</b>

## **Hazard / Risk Assessment and Preparedness Planning**

- 19. Main programmatic risks and mitigation actions for this budget revision are related to the first-time introduction of cash-based transfers: (i) inexperience of mobile phone service providers with the humanitarian context – mitigated through close WFP partnership with experienced cooperating partners, including sensitization of beneficiaries, distribution and post-distribution monitoring; (ii) price volatility requiring dynamic adjustment of cash-based transfer value; (iii) theft and corruption, mitigated through beneficiary feedback and increased monitoring at distribution sites; (iv) use of cash for non-intended purposes against which WFP and partners must sensitize beneficiaries and possibly adopt vouchers in place of cash for ART and DOTS client households; and (vi) security risks managed through mobile transfers instead of moving large sums of physical cash at distribution points.**
- 20. Primary contextual risks include political instability, rainfall variability and market shocks from wide fluctuations in international cashew nut prices. WFP will continue to mitigate these contextual risks by building Government and partner capacity through the FSNMS. WFP will continue to monitor these contexts and update the Emergency Preparedness and Response Package (EPRP) as needed.**

## Annex I-A

PROJECT COST BREAKDOWN			
	Quantity (mt)	Value (USD)	Value (USD)
<i>Food Transfers</i>			
Cereals	526	243 142	
Pulses	207	124 127	
Oil and fats	145	131 805	
Mixed and blended food	1 048	879 250	
Others	235	970 922	
<b>Total Food Transfers</b>	<b>2 161</b>	<b>2 349 246</b>	
External Transport		401 469	
LTSH		414 882	
ODOC Food		10 208	
<b>Food and Related Costs<sup>19</sup></b>			<b>3 175 805</b>
C&V Transfers		54 926	
C&V Related costs		13 448	
<b>Cash and Vouchers and Related Costs</b>			<b>68 374</b>
<b>Capacity Development &amp; Augmentation</b>			<b>157 121</b>
<i>Direct Operational Costs</i>			<i>3 401 300</i>
Direct support costs (see Annex I-B)			841 971
<b>Total Direct Project Costs</b>			<b>4 243 271</b>
Indirect support costs (7.0 percent) <sup>20</sup>			297 029
<b>TOTAL WFP COSTS</b>			<b>4 540 300</b>

<sup>19</sup> This is a notional food basket for budgeting and approval. The contents may vary.

<sup>20</sup> The indirect support cost rate may be amended by the Board during the project.

## Annex I-B

<b>DIRECT SUPPORT REQUIREMENTS (USD)</b>	
<b>WFP Staff and Staff-Related</b>	
Professional staff *	56 188
General service staff **	165 500
Danger pay and local allowances	-
<b>Subtotal</b>	<b>221 688</b>
<b>Recurring and Other</b>	<b>187 946</b>
<b>Capital Equipment</b>	<b>102 378</b>
<b>Security</b>	<b>57 972</b>
<b>Travel and transportation</b>	<b>166 988</b>
<b>Assessments, Evaluations and Monitoring<sup>21</sup></b>	<b>105 000</b>
<b>TOTAL DIRECT SUPPORT COSTS</b>	<b>841 972</b>

\* Costs to be included in this line are under the following cost elements: International Professional Staff (P1 to D2), Local Staff - National Officer, International Consultants, Local Consultants, UNV

\*\* Costs to be included in this line are under the following cost elements: International GS Staff, Local Staff - General Service, Local Staff - Temporary Assist. (SC, SSA, Other), Overtime

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<sup>21</sup> Reflects estimated costs when these activities are performed by third parties. If WFP Country Office staff perform these activities, the costs are included in Staff and Staff Related and Travel and Transportation.